

**COMMONWEALTH OF KENTUCKY
ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
OFFICE OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES
AGENCY CASE NO. 2008-AH-010**

COMMONWEALTH OF KENTUCKY, EX. RE. THE
EXECUTIVE DIRECTOR OF THE
OFFICE OF FINANCIAL INSTITUTIONS

PETITIONER

V.

FINAL ORDER TO CEASE & DESIST

PAUL KELLOGG and
PAUL KELLOGG & ASSOCIATES, INC.

RESPONDENTS

Findings of Fact

1. On or about February 8, 2008, an Order to Cease and Desist was issued by the Executive Director of the Office of Financial Institutions alleging that Respondents, through printed advertisements or invitations for free lunch investment seminars, had improperly advertised or held themselves out to the investing public as registered investment advisers or registered representatives of investment advisers when, in fact, they were not.
2. On February 12, 2008, Respondents were personally served with a copy of the Order at the first of three scheduled seminars in Lexington, Kentucky. Respondents were also served with a copy of the Order by certified mail on February 13, 2008. Respondents have not filed a formal response to the Order and have not made a written request for hearing, although the Respondent, Paul Kellogg, responded by letter that he had no objection to the relief requested by the Petitioner, was cancel any previously scheduled and future seminars, and would otherwise refrain from any investment advisory activities until and unless he was legally registered to do so by this Office.

3. The allegations as stated by the Petitioner against the Respondents in the Order of February 8, 2008 are accepted as true and are incorporated herein by reference.

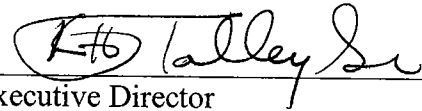
Conclusions of Law

1. The Respondents have violated KRS 292.320, KRS 292.330, and KAR 800:040 Section 4(4)(a) by unlawfully advertising and holding themselves out to the investing public as registered investment advisers or registered representatives of investment advisers when, in fact, they were not.

ORDER

IT IS THEREFORE ORDERED that Respondents shall cease and desist from engaging in any conduct or activity in violation of the Securities Act as set forth in the Order of February 8, 2008. Specifically, Respondents shall cease to advertise, hold themselves out as or represent themselves to the investing public as having any affiliation with any registered Investment Adviser unless Respondents actually are so affiliated. Respondents shall not advertise, hold themselves out as or represent themselves to the investing public as being a registered Investment Adviser representative in Kentucky unless and until they actually are so registered. Respondents shall cease engaging in any conduct or activity which constitutes engagement in the investment advisory business until and unless they are licensed to engage in that business. Respondents shall hold no more so-called free lunch or dinner seminars in which they offer investment advice or solicit investment advisory clients and unless they are licensed to engage in that business. Failure to abide by the terms of this Order shall subject the Respondents to the contempt powers of the Executive Director.

ENTERED this 11th day of March, 2008.



Executive Director
Office of Financial Institutions
1025 Capital Center Dr., Suite 200
Frankfort, KY 40601
(502) 573-3390

Certificate of Service

I, William Owsley, Counsel for the Office of Financial Institutions, certify that a copy of the foregoing Order of the Executive Director was sent by certified mail, return receipt requested, to the following on this 11th day of March, 2008.

Paul W. Kellogg, Individually,
And as Process Agent for
Paul Kellogg & Associates, Inc.,
408 Talbott Drive
Wilmore, KY 40390

Paul Kellogg
Paul Kellogg & Associates, Inc.
2333 Alexandria Drive
Lexington, KY 40504



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